

# **Chapter 5**

## **Housing**

### **Element**









## Overview <sup>500</sup>

**T**HE HOUSING ELEMENT OF THE COMPREHENSIVE PLAN DESCRIBES THE importance of housing to neighborhood quality in the District of Columbia and the importance of providing housing opportunities for all segments of our population. <sup>500.1</sup>

The critical housing issues facing the District of Columbia are addressed in this Element. These include:

- Ensuring housing affordability
- Fostering housing production
- Conserving existing housing stock
- Promoting home ownership
- Providing housing for residents with special needs. <sup>500.2</sup>

These issues affect every facet of the Comprehensive Plan. They influence land use and density decisions, shape infrastructure and community service needs, determine transportation demand, and even drive employment strategies for District residents. At the most basic level, it is the availability of safe, decent, affordable housing that will determine whether the District's vision for an inclusive city will be realized. The type of housing constructed and the cost of that housing will influence whether we as a city can attract families with children, maintain neighborhood diversity, and provide economic opportunity for all. <sup>500.3</sup>

The city's housing stock is varied in type and size. Table 5.1 shows the number of units by type, year built, size, and vacancy rate. Of the city's 248,000 occupied housing units in 2000, 41 percent were owner-occupied and 59 percent were renter-occupied. Forty percent of the housing units in the city are single-family units and over 35 percent of the housing stock was built before 1940. <sup>500.4</sup>

Table 5.1:

District's Housing Stock, 2000 <sup>500.5</sup>

<b>Total Housing Units</b>	274,845
Occupied Housing Units	248,338
Owner-Occupied	41%
Renter-Occupied	59%
Homeowner Vacancy (2004)	2.4%
Rental Vacancy (2004)	11.3%
<b>Type</b>	
Single-family detached	13%
Row houses	27%
2-4 units	11%
5+ units	49%
<b>Housing Units by Year of Construction</b>	
1990-2000	3%
1980-1989	5%
1960-1979	24%
1940-1959	34%
1939 or earlier	35%

Source: US Census and Fannie Mae

In the eight years since the Comprehensive Plan was last amended, there has been a tremendous increase in housing demand, driven by demographic shifts, low interest rates, regional economic growth, falling crime rates, renewed confidence in District government, and improvements in public services. The increase in demand has propelled a steep upward spiral in housing costs, impacting renters and homeowners alike. <sup>500.6</sup>

The increase in demand has also resulted in a tremendous increase in the production of housing. There were more than 2,200 new units permitted in 2005, 75 percent above the 2001-2003 average and more than eight times the average of the 1990s. In late 2005, an astonishing 8,900 housing units were under construction or about to break ground in the city—the biggest building boom in Washington since the early 1960s. Table 5.2 shows the recent trends in housing units permitted. <sup>500.7</sup>

Table 5.2:

New Privately Owned Housing Units Authorized <sup>500.8</sup>

<b>Time Period</b>	<b>Units</b>
1990s (Average Annual)	251
2000 (actual)	924
2001 (actual)	896
2002 (actual)	1,591
2003 (actual)	1,427
2004 (actual)	1,595
2005 (actual)	2,860

Source: DC Office of Planning, 2006

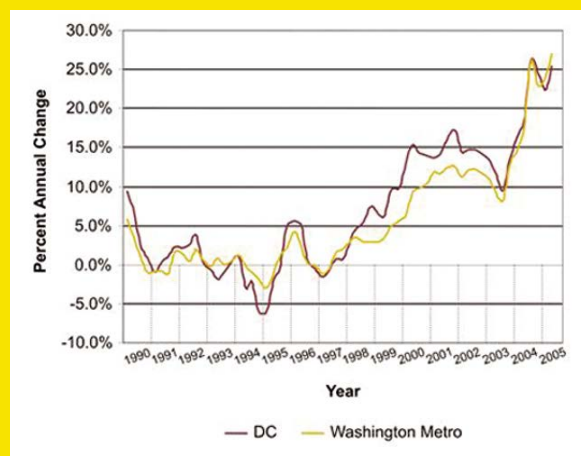
Even more dramatic has been the increase in housing values. Between 2000 and 2005, the median sales price for a single-family home in the District rose 174 percent, from \$178,250 to \$489,000. Condominiums and cooperatives — once considered “starter” homes for first time buyers — have increased equally, from a median sales price of \$138,000 in 2000 to \$377,950 in 2005. Rents have also soared, jumping 12 percent between 2003 and 2004 alone. As prices have risen, the percentage of residents able to comfortably afford the median priced home or apartment has dropped. In 2001, 34 percent of the District’s for-sale housing would have been affordable to a family supported by a full-time school teacher. By 2004, that figure had dropped to just 16 percent. The tightening availability of workforce housing is hindering the District’s ability to retain and attract moderate income households. Figure 5.1 shows housing value change from 1990 to 2005. <sup>500.9</sup>

The rising costs have triggered a crisis of affordability, particularly for the District’s lowest income residents. Residents must set aside a growing share of their earnings for housing, leaving less disposable income for health care, transportation, food, and other basic needs. The market has also become more segmented, with dwindling housing choices for working families and the middle class in general. “Move up” options for lower income households have become limited, and the opportunity for many residents to build individual wealth through home ownership has become more difficult. <sup>500.11</sup>

For existing residents who are already homeowners, the price surge has been a source of wealth as their homes have appreciated in value. The strength of the housing market has also created opportunities to solve some of the very problems it is creating. The recent boom has raised real estate values, incomes, and sales, generating millions of dollars in new revenues for housing programs. The pending availability of several large sites for redevelopment creates housing construction opportunities that did not exist five or ten years ago. New inclusionary zoning legislation will soon require affordable units to be included in many market-rate projects. <sup>500.12</sup>

The housing shortfall will continue to create a market dynamic where housing costs increase faster than incomes. Consistent multi-jurisdictional efforts are needed to increase the supply of housing to better

**Figure 5.1:**  
**Annual Percent Change in DC Housing Values, 1990-2005** <sup>500.10</sup>

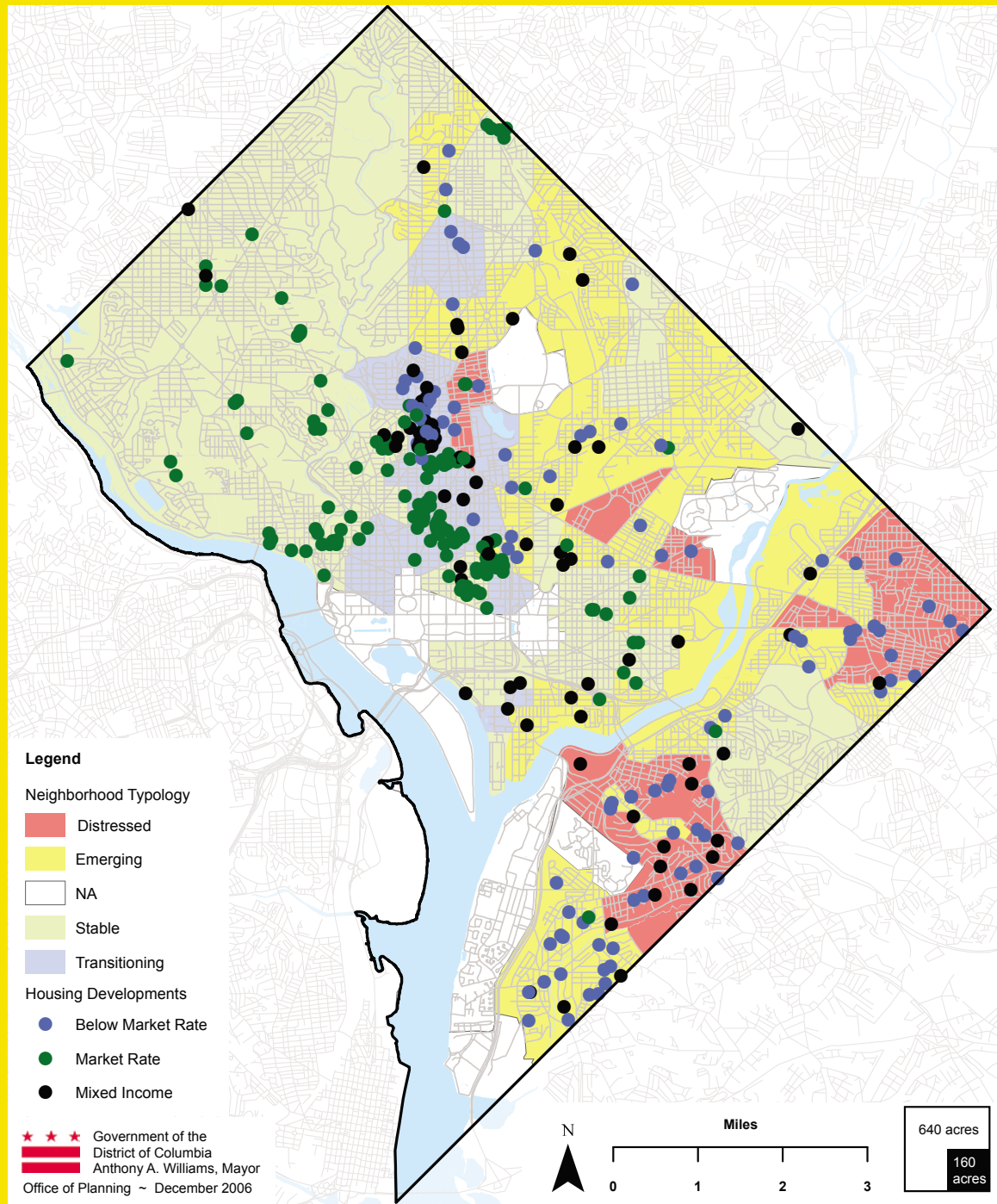


Source: Freddie Mac 2006

Map 5.1:

# 2000-2005 Housing Development by Neighborhood Typology

500.16



meet demand. Intergovernmental agreements and initiatives also will be needed to ensure that all jurisdictions bear their fair share of the region's housing needs and do not leave that responsibility solely to the District of Columbia. <sup>500.13</sup>

On a neighborhood level, the recent housing boom has challenged the District's ability to grow a city of inclusive and racially and economically diverse communities. The District has been relatively successful in developing new affordable housing, building or rehabilitating 17,700 affordable units in the last six years alone. However, most of this production has occurred in the very neighborhoods where such housing was already concentrated. <sup>500.14</sup>

Map 5.1 illustrates the location of affordable housing projects developed since 2000, overlaid on a map that characterizes neighborhoods as "stable", "emerging", "transitioning", or "distressed" based on demographic and market factors. With the exception of a few projects, there has been very little new affordable housing built in Stable and Transitioning neighborhoods. The map also shows that recent market rate housing has been built almost entirely in Stable and Transitioning neighborhoods. If left unchecked, these patterns will continue to concentrate lower income residents in some neighborhoods and find them scarce in others. <sup>500.15</sup>

While the market for housing has been robust during the last five years, there is no guarantee this will continue indefinitely. The first six months of 2006 suggest softer demand due to high prices and rising interest rates. Measures to increase affordable housing must be mindful of market dynamics and the burden placed on the private sector so that forward momentum can be sustained. This may require additional bold steps by District government, such as the recent increase in the deed recordation and transfer taxes. <sup>500.17</sup>

One of the critical issues facing the city is how to retain and create more housing units that are large enough for families with children. As a percent of total households in the District, 21 percent are comprised of families with children. This percentage has been stable over several decades and is substantially lower than the 33 percent rate for both the region and the nation. Other cities such as San Francisco and Boston have similar rates to the District. New York's rate is 30 percent, which is closer to the national average. <sup>500.18</sup>

Family households with children need larger housing units with more bedrooms. Of the city's existing housing stock, only one-third of the units have three bedrooms or more. Eighty percent of recent new construction has been apartments, with fewer bedrooms. <sup>500.19</sup>

Between 2000 and 2004, the city's vital records show an increase in population in the 0-4, 20-34, 55-69, and the 80 or more years age groupings. The increase in the youngest grouping is a positive sign that families in the

**The Washington Metropolitan area is projected to add 1.4 million jobs between 2005 and 2030. Using the existing regional ratio of 1.63 jobs per household, the Metropolitan Washington Council of Governments has estimated that these jobs will translate into a need for 860,000 housing units in the next 25 years.**

**The increase in the youngest grouping (0-4) is a positive sign that families in the city are having children. Retaining these new families and the city's existing families is important to the vibrancy and**

city are having children. Retaining these new families and the city's existing families is important to the health of the city. <sup>500.20</sup>

The availability of single-family housing and housing with more rooms are two factors that are positively correlated with retaining family households. Of course, there are many other factors that are important including affordability, crime, and school quality. <sup>500.21</sup>

Who is moving in and out of the District? According to Fannie Mae's Housing in the National's Capital, one in five (113,000) of the District's 2000 population had moved into the city since 1995. Out-movers during this same period numbered 158,000. In-movers were less likely to be families with children than out-movers (25% versus 45%), less likely to be black, more likely to be poor, and also more likely to be homeowners than out-movers during the same period. Table 5.3 shows migration in and out of the District from 1995 to 2000. <sup>500.22</sup>

Table 5.3:

### Migration In and Out of the District, 1995–2000 <sup>500.23</sup>

	Moved Out	Moved In		
		From Within DC Region	From Outside DC Region	Total
Number of people	158,000	36,000	77,000	113,000
Percent poor	11%	14%	18%	16%
Percent Black	46%	58%	23%	34%
Percent Hispanic	8%	7%	6%	6%
Percent in families with children	45%	37%	18%	25%
Percent homeowner	52%	56%	58%	57%

*Source: Housing in the Nation's Capital, Fannie Mae Foundation, 2005*

This Housing Element seeks to address these challenges through its policies and actions. It is organized into four major sections. The first addresses housing production, including both market-rate and affordable housing. The second addresses housing conservation, focusing particularly on anti-displacement strategies and housing maintenance. The third section addresses home ownership and fair housing laws. The final section covers the special needs of the homeless, persons with disabilities, seniors, and others who are not adequately served by the private market. <sup>500.24</sup>

## Housing Goal <sup>501</sup>



The overarching goal for housing is:

*Develop and maintain a safe, decent, and affordable supply of housing for all current and future residents of the District of Columbia.*<sup>501.1</sup>

## Policies and Actions

### H-1 Homes for an Inclusive City<sup>502</sup>

This section of the Housing Element addresses housing production, both for market rate and affordable units.<sup>502.1</sup>

The District must increase its rate of housing production if it is to meet current and projected needs through 2025 and remain an economically vibrant city. Over the next 20 years, the District's housing stock is forecast to increase from a base of about 280,000 in 2005 to 335,000 units in 2025. Between 2005 and 2010, 10,000 new units are expected, based on projects that are now under construction or soon to break ground. The remaining new units — 45,000 in total — will be needed by 2025 to improve the long-term balance between demand and supply. This is equivalent to 3,000 new units per year. This is significantly higher than the rate of production experienced during 2000-2005. However, the city permitted 2,860 units in 2005, indicating this target is not out of reach.<sup>502.2</sup>

As noted in the Land Use and Framework Elements, the city already has the land resources to meet this demand. But land alone is not enough to ensure the production of housing. And housing production alone does not guarantee that a portion of the new units will be affordable.<sup>502.3</sup>

A multi-pronged strategy is needed to facilitate production, address regulatory and administrative constraints, and ensure that a substantial number of the new units added are affordable to District residents. Many of the basic tenets of this strategy were established by the 2006 Comprehensive Housing Strategy and are reiterated in the text box on the following page.<sup>502.4</sup>

#### H-1.1 Expanding Housing Supply<sup>503</sup>

Expanding the housing supply is a key part of the District's vision to create successful neighborhoods. Along with improved transportation and shopping, better neighborhood schools and parks, preservation of historic resources, and improved design and identity, the production of housing is essential to the future of our neighborhoods. It is also a key to improving the city's fiscal health. The District will work to facilitate housing construction and rehabilitation through its planning, building, and housing programs, recognizing and responding to the needs of all segments of the community. The first step toward meeting this goal is to ensure that an adequate supply of appropriately zoned land is available to meet expected housing needs.<sup>503.1</sup>

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## The Comprehensive Housing Strategy <sup>502.5</sup>

In 2003, the Council of the District of Columbia passed the “Comprehensive Housing Strategy Act,” creating a Task Force charged with developing recommendations on the housing needs of current and future residents of the District. The 28-member Task Force, was specifically asked to explore strategies for preserving and creating mixed income neighborhoods; assessing the quality, availability, and affordability of rental housing; creating home ownership opportunities; preventing displacement; assessing special needs housing; promoting workforce housing; and increasing the District’s population by 100,000 residents.

The 2006 Task Force report presents seven basic recommendations for improving housing affordability and growing the population. Foremost among these is the production of 55,000 new housing units, including 19,000 affordable units, and the preservation of at least 30,000 existing affordable units. The report includes strategies to increase the home ownership rate, provide direct assistance to 14,600 low income renter households, and include affordable housing in the “new neighborhoods” to be developed during the next 15 years. The report emphasizes the need to build the city’s administrative capacity for housing production, and to enact complementary programs to improve neighborhood services to attract and retain residents. The cost of these recommendations is estimated at \$300 million per year over 15 years.

Many of the strategies in the Housing Strategy have been carried forward into this Housing Element. This is an important step toward their implementation, and will move the city one step closer to achieving its housing goals.

### ***Policy H-1.1.1: Private Sector Support***

Encourage the private sector to provide new housing to meet the needs of present and future District residents at locations consistent with District land use policies and objectives. <sup>503.2</sup>

### ***Policy H-1.1.2: Production Incentives***

Provide suitable regulatory, tax, and financing incentives to meet housing production goals. These incentives should continue to include zoning regulations that permit greater building area for commercial projects that include housing than for commercial projects that do not include housing. <sup>503.3</sup>

### ***Policy H-1.1.3: Balanced Growth***

Strongly encourage the development of new housing on surplus, vacant and underutilized land in all parts of the city. Ensure that a sufficient supply of land is planned and zoned to enable the city to meet its long-term housing needs, including the need for low- and moderate-density single family homes as well as the need for higher-density housing. <sup>503.4</sup>

### ***Policy H-1.1.4: Mixed Use Development***

Promote mixed use development, including housing, on commercially zoned land, particularly in neighborhood commercial centers, along Main Street mixed use corridors, and around appropriate Metrorail stations. <sup>503.5</sup>

### ***Policy H-1.1.5: Housing Quality***

Require the design of affordable housing to meet the same high-quality architectural standards required of market-rate housing. Regardless of its affordability level, new or renovated housing should be indistinguishable from market rate housing in its exterior appearance and should address the need for open space and recreational amenities, and respect the design integrity of adjacent properties and the surrounding neighborhood. <sup>503.6</sup>

### ***Policy H-1.1.6: Housing in the Central City***

Absorb a substantial component of the demand for new high-density housing in Central Washington and along the Anacostia River. Absorbing the demand for higher density units within these areas is an effective way to

meet housing demands, create mixed-use areas, and conserve single-family residential neighborhoods throughout the city. Mixed income, higher density downtown housing also provides the opportunity to create vibrant street life, and to support the restaurants, retail, entertainment, and other amenities that are desired and needed in the heart of the city. <sup>503.7</sup>

*See the Land Use, Urban Design, and Area Elements for related policies.*

#### **Policy H-1.1.7: New Neighborhoods**

Accommodate a significant share of the District's projected housing demand in "new neighborhoods" developed on large sites formerly used for government functions. In addition to housing, these neighborhoods must include well-planned retail, public schools, attractive parks, open space and recreation, as well as needed supportive services. The new neighborhoods should include a variety of housing types, serving a variety of income levels. <sup>503.8</sup>

*See also the Land Use Element policies on transit oriented development and mixed use.*

#### *Action H-1.1.A: Rezoning of Marginal Commercial Land*

Perform an evaluation of commercially zoned land in the District, focusing on the "Great Streets" corridors, other arterial streets, and scattered small commercially-zoned pockets of land which no longer contain active commercial land uses. The evaluation should consider the feasibility of rezoning some of these areas from commercial to residential districts, in order to ensure their future development with housing. <sup>503.9</sup>

#### *Action H-1.1.B: Annual Housing Reports and Monitoring Efforts*

Consider development of an Annual "State of DC Housing Report" which improves the quality of information on which to make housing policy decisions and/or a Housing Oversight Board comprised of residents, for-profit, and non-profit developers that reports each year on the effectiveness and outcomes of the District's housing programs. <sup>503.10</sup>

### **H-1.2 Ensuring Housing Affordability** <sup>504</sup>

The District of Columbia faces numerous affordable housing challenges. It has both a disproportionate share of the region's poorest residents and the region's most rapid decline in the availability of housing to serve these residents. In 2005, the median income for a family of four for the region was \$89,300, but it was just \$55,750 in the District. In fact, about three-quarters of the city's households earn below the regional median income, while at the same time housing prices in the city are increasing at a faster rate than almost any jurisdiction in the metropolitan area. The share of District renters who paid more than 30 percent of their incomes for housing jumped from 39 percent in 2000 to 46 percent in 2004. The share paying more than 50 percent of their incomes climbed from 18 percent to 23 percent. <sup>504.1</sup>



Prices have risen everywhere, but have gone up most rapidly in the older neighborhoods to the north and east of downtown. Parts of Capitol Hill, Shaw, Columbia Heights, and Eckington experienced annualized sales price increases of over 20 percent a year between 1999 and 2004. Even neighborhoods east of the Anacostia River experienced double-digit inflation during this time period. Price increases in the affluent neighborhoods west of Rock Creek were less dramatic but were already out of reach for most District residents even before 2000. <sup>504.2</sup>

Economic forecasts suggest that many of the jobs that will be created in the District during the next 20 years will not provide the compensation needed to pay for housing in the city. For example, the District's fast-growing office support, sales, and service sector pays an average annual wage of \$36,000. For a single wage-earner, this provides barely enough income to rent a one-bedroom apartment, much less to purchase a condominium or single family home. Even a two-income household with such salaries would be unable to afford market-rate home ownership. As the gap widens, there may be a number of consequences. Residents may work unreasonably long hours or multiple jobs; they may double up in overcrowded apartments and houses; live in unsafe or substandard housing; or give up living in the District altogether, choosing instead to endure long commutes into the city each day. <sup>504.3</sup>

The District has been working to protect the affordability of existing housing opportunities for lower income residents and to ensure that a substantial share of the housing built in the next 20 years is affordable to District residents. Between 1999 and 2005, the District's housing agencies expended over \$1 billion in gross public subsidies on construction and renovation. An array of financial and regulatory tools and programs already are in place, some linked to federal housing programs, some created by District government, and others originating through partnerships with the private and non-profit sectors (see Table 5.4 for a list of the major housing programs in the District). <sup>504.4</sup>

The District also has been pursuing regulatory measures that require affordable housing in new development. For many years, the city has had a policy requiring developers seeking commercial density bonuses to provide affordable housing or pay into the Housing Production Trust Fund. In addition, a pending inclusionary zoning ordinance would require affordable units within future market-rate residential development of 10 units or greater. The foundation for these actions was created by the previous Comprehensive Plan and is carried forward in this Element. <sup>504.5</sup>

### ***Policy H-1.2.1: Affordable Housing Production as a Civic Priority***

Establish the production of housing for low and moderate income households as a major civic priority, to be supported through public programs that stimulate affordable housing production and rehabilitation throughout the city. <sup>504.6</sup>

### ***Policy H-1.2.2: Production Targets***

Consistent with the Comprehensive Housing Strategy, work toward a goal that one-third of the new housing built in the city over the next 20 years should be affordable to persons earning 80 percent or less of the areawide median income (AMI). Newly produced affordable units should be targeted towards low-income households in proportions roughly equivalent to the proportions shown in Figure 5.2. <sup>504.7</sup>

### ***Policy H-1.2.3: Mixed Income Housing***

Focus investment strategies and affordable housing programs to distribute mixed income housing more equitably across the entire city, taking steps to avoid further concentration of poverty within areas of the city that already have substantial affordable housing. <sup>504.8</sup>

### ***Policy H-1.2.4: Housing Affordability on Publicly Owned Sites***

Require that a substantial percentage of the housing units built on publicly owned sites, including sites being transferred from federal to District jurisdiction, are reserved for low and moderate income households. <sup>504.11</sup>

### ***Policy H-1.2.5: Workforce Housing***

In addition to programs targeting persons of very low and extremely low incomes, develop and implement programs that meet the housing needs of teachers, fire fighters, police officers, nurses, city workers, and others in the public service professions with wages insufficient to afford market-rate housing in the city. <sup>504.12</sup>

Table 5.4:

### **Major Housing Programs in the District <sup>504.9</sup>**

Department of Housing and Community Development (DHCD) <sup>1</sup>	Apartment Improvement Program
	Construction Assistance Program
	Community Land Acquisition Program
	Distressed Properties Improvement Program
	Housing Finance for Elderly, Dependent, and Disabled
	Housing Production Trust Fund Program
	Low Income Housing Tax Credit Program
District of Columbia Housing Finance Agency (DCHFA) <sup>2</sup>	Housing Development Program
	Homeownership Program
District of Columbia Housing Authority (DCHA) <sup>3</sup>	Housing Choice Voucher Program (HCVP)
	HOPE VI Program
	Public Housing
Deputy Mayor for Planning and Economic Development (DMPED) <sup>4</sup>	Home Again Initiative
	New Communities
District of Columbia Office of Planning (OP)	Inclusionary Housing
DC Council	Rent Control
	Tax Abatement for Downtown Housing

1. For more information on DHCD programs please see <http://dhcd.dc.gov/dhcd>

2. For more information on DCHFA programs please see <http://www.dchfa.org>

3. For more information on DCHA programs please see <http://www.dchousing.org>

4. For more information on DMPED programs please see <http://dcbiz.dc.gov/dmped>

## What is Affordable Housing? 504.10

One of the most common requests made during Comprehensive Plan public meetings was to provide a clear definition of “affordable” housing.

Affordable housing is defined as housing in which occupancy is limited to households meeting special income guidelines. The price of this housing is maintained at a level below what the free market would demand using restrictive deeds, covenants, mortgage subsidies, vouchers, or other means tied to public financing or tax credits. Generally, the cost of affordable housing is limited to 30% of a household’s income (which varies according to the number of people in the household); different affordable housing programs are “benchmarked”, or targeted, to specific income groups as defined by the US Department of Housing and Urban Development.

The benchmarked incomes for the Washington Metropolitan Area in 2005 are shown in the table below. The list includes the major housing assistance programs that serve households in each group. In 2005, the areawide median income (AMI)\* for a family of four was \$89,300. The terms “extremely low”, “very low”, “low”, and “moderate” income correspond to up to 30%, 50%, 80%, and 120% of that amount, respectively.

Example: If a single mother earned \$7 per hour, her annual income would be \$14,560 and fall within the “extremely low income” category. If she spends 30% of her income on housing, she could afford to pay only \$364 per month on housing. Finding decent housing or any housing at this price range is a challenge in Washington.

Target Income	Family of 4 Income	HUD Income Group	“Affordable” Monthly Housing Cost	Programs
30% AMI	\$26,790	Extremely Low	\$670	DC Housing Authority
50% AMI	\$44,650	Very Low	\$1116	Housing Prod.Trust Fund (HPTF)
60% AMI	\$53,580		\$1339	Low Income Housing Tax Credit
65% AMI	\$58,000		\$1450	CDBG, HOME
80% AMI	\$71,440	Low	\$1776	HPTF, Inclusionary Zoning
95% AMI	\$84,835		\$2120	Home Purchase Assistance Program
120% AMI	\$107,160	Moderate	\$2679	Historic Home Investment Tax Credit (proposed)

By contrast, “market rate” housing is defined as housing with rents or sales prices that are allowed to change with market conditions, including increased demand. Some market rate housing may be affordable to moderate and some low income households. Rent-controlled apartments are counted as “market rate” units because there are no occupancy restrictions. The District’s rent control law stipulates that rents on market rate apartments built prior to 1975 may rise only as fast as the Consumer Price Index (CPI).

\* Regional Areawide Median Income (AMI) is used rather than DC’s median income because it is the federal government benchmark commonly used to qualify for funding subsidies.



**Policy H-1.2.6: Non-Profit Involvement**

Actively involve and coordinate with the non-profit development sector, increasing their capacity to produce affordable housing. Enter into partnerships with the non-profit sector so that public funding can be used to leverage the creation of affordable units. <sup>504.13</sup>

**Policy H-1.2.7: Density Bonuses for Affordable Housing**

Provide zoning incentives to developers proposing to build low- and moderate-income housing. Affordable housing shall be considered a public benefit for the purposes of granting density bonuses when new development is proposed. Density bonuses should be granted in historic districts only when the effect of such increased density does not significantly undermine the character of the neighborhood. <sup>504.14</sup>

**Policy H-1.2.8: DC Housing Finance Agency**

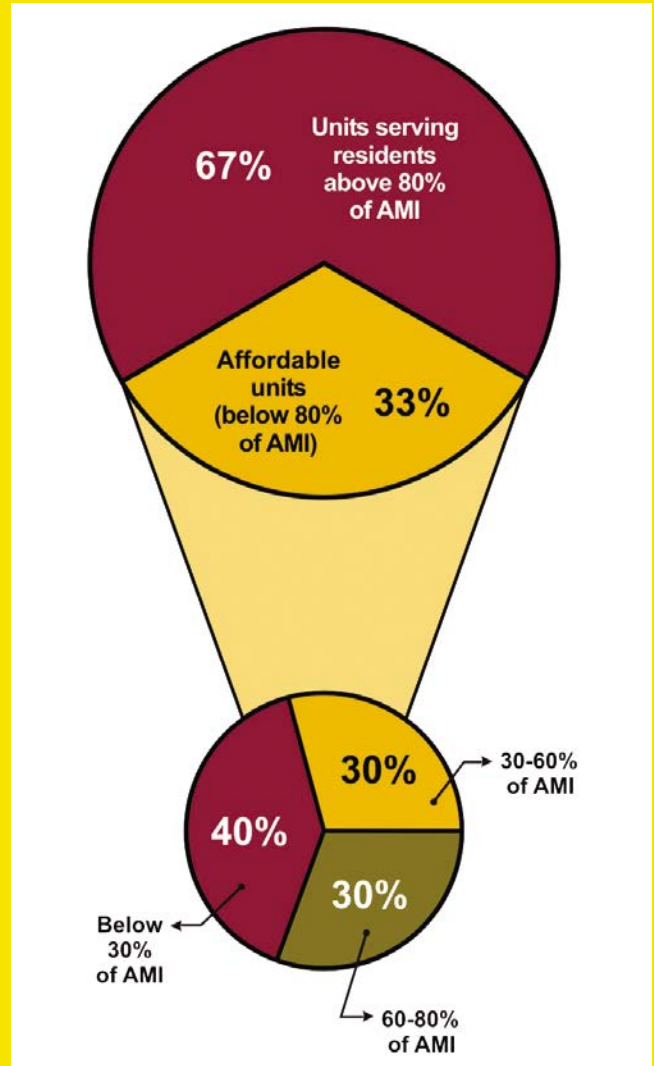
Support the activities of the District's Housing Finance Agency to finance new construction and rehabilitation of affordable rental and owner units, including vacant and abandoned units. <sup>504.15</sup>

**Action H-1.2.A: Inclusionary Zoning**

Adopt an Inclusionary Zoning requirement which would require the inclusion of affordable units for low income households in new residential developments of 10 units or greater, with accompanying provisions for density bonuses and long-term affordability. Apply this requirement as fairly and uniformly as possible, providing flexibility as necessary for sites where density bonuses cannot feasibly be provided. <sup>504.18</sup>

**Action H-1.2.B Commercial Linkage Assessment**

Prepare an assessment of the District's existing commercial linkage requirements to determine the effectiveness of this program and assess its impacts, advantages, and disadvantages. Based on

**Figure 5.2:****Targeted Distribution of New Affordable Units by Income Group** <sup>504.16</sup>

AMI=Areawide Median Income

*The 2006 Comprehensive Housing Strategy recommended that one-third of the units produced in the city in the next 15 years be targeted to persons earning 80% of the AMI or below. The lower pie chart shows the proposed allocation of these units to low, very low, and extremely low income groups.*

## The District's Commercial Linkage Requirement\* <sup>504.17</sup>

In 1994, the District of Columbia adopted zoning provisions that linked the granting of bonus density in commercial development projects to requirements for affordable housing. The “linkage” recognized that the demand for housing in the city was driven in part by new commercial development and rising land values. The linkage provisions are currently triggered by:

- The approval of a “discretionary and otherwise appropriate street or alley closing which results in the provision of additional commercial office space” by the Council; or
- The approval of a “discretionary and otherwise appropriate zoning density increase which results in the provision of additional office space” by the Zoning Commission.

In such cases, applicants are required to construct or rehabilitate housing that remains affordable to low and moderate income households for at least 20 years, or to pay into the District’s Housing Production Trust Fund.

If the applicant agrees to construct or rehabilitate affordable housing, the square footage of housing that must be built varies from 25 to 50 percent of the density “bonus” being granted, depending on if the housing is provided on-site or off-site. Applicants can use any of a number of tools to build the housing, such as partnerships and joint ventures.

If the applicant agrees to pay into the Housing Production Trust Fund, the payment must equal at least half of the assessed value of the square footage of the density “bonus” being granted. Additional provisions relating to the timing of the improvements apply.

The linkage requirements include a number of exemptions, such as projects that are already subject to housing, retail, arts, or historic preservation requirements, projects approved prior to 1994, and projects receiving density bonuses through variances. The Zoning Commission also has the authority to grant exemptions from this requirement based on certain findings relating to Comprehensive Plan consistency.

findings, adjust the linkage requirements as needed. <sup>504.19</sup>

### *Action H-1.2.C: New Revenue Sources*

Identify and tap new sources of revenue for the Housing Production Trust Fund (HPTF) to produce affordable housing and keep rental and owned housing affordable. These new sources could include increases in the portion of the deed recordation tax dedicated to the HPTF, increases in the recordation tax, or earmarking of a portion of residential property tax revenue increases to the Fund. <sup>504.20</sup>

### *Action H-1.2.D: Land Banking*

Develop a strategic land acquisition program to purchase land in the District to achieve specific housing and neighborhood goals, particularly for the District’s three major development entities: the National Capital Revitalization Corporation, the Anacostia Waterfront Corporation, and the DC Housing Authority. <sup>504.21</sup>

### *Action H-1.2.E: LAHDO Program*

Continue the District’s Land Acquisition for Housing Development Opportunities (LAHDO) program, which acquires property (using primarily District capital budget funds) and provides for long-term lease-back or low cost terms to private developers that produce low- and moderate-income rental housing. <sup>504.22</sup>

### *Action H-1.2.F: Low Income Housing Tax Credits*

Expand for-profit builders’ use of Low Income Housing Tax Credits as one tool to provide new or rehabilitated affordable housing in the city. <sup>504.23</sup>

**\*The District’s commercial linkage requirements are codified in D.C. Official Code §§ 1-306.31 and 1-306.45. See also Comprehensive Plan Table 25.2**

*Action H-1.2.G: Land Trusts*

Support the formation of one or more community land trusts run by public, non-profit, or other community-based entities. The mission of the trust would be to acquire land while providing long-term leases to developers of rental and for-sale units. This approach helps ensure that the units remain affordable indefinitely. <sup>504.24</sup>

*Action H-1.2.H: Hotel Conversions*

Evaluate the feasibility of requiring an affordable housing set-aside in the event that transient hotels are converted to permanent housing units. <sup>504.25</sup>

**H-1.3 Diversity of Housing Type** <sup>505</sup>

The existing housing stock in the District of Columbia is varied in size and type. As Figure 5.3 shows, about 44 percent of the city's housing units consist of studios and one bedroom units. Units with four or more bedrooms comprise just 11 percent of the total units. <sup>505.1</sup>

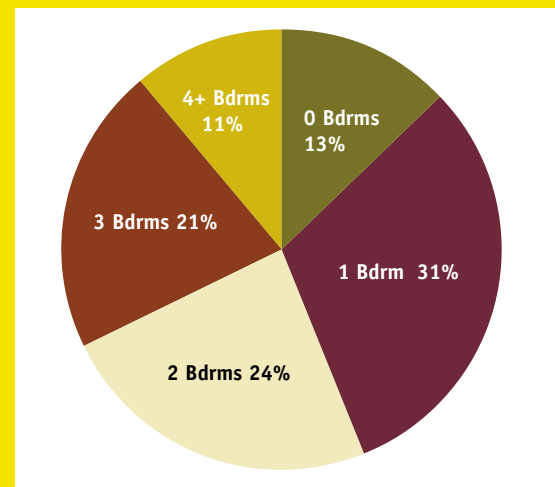
During the last five years, more than 80 percent of the new housing in the city has consisted of multi-family housing. As this trend continues, the District faces the prospect of a less diverse housing stock, with a growing share of one- and two-bedroom multi-family units and a declining share of housing large enough for families with children. In addition to the newly built housing, the conversion of single family row houses into multi-unit flats may be further eroding the supply of three and four bedroom units in the city. <sup>505.2</sup>

The housing needs of District residents represent a wide spectrum. Students and young professionals may seek studios, small apartments, or shared housing. Young families may seek small condominiums, townhouses, or small homes in emerging neighborhoods. Families with children may seek homes with three or four bedrooms, a yard, and perhaps a rental unit for added income. Singles and couples with no children may seek single-family homes or apartments. The growing population of seniors may seek smaller houses or apartments, retirement communities, assisted living or congregate care facilities. <sup>505.4</sup>

An important part of growing “inclusively” is to maintain a housing stock that can fit the needs of all of these households. At its most extreme, market pressures may result in displacement as affordable large rental units are converted to “luxury” condos or upscale

**“Being a single mom with two children in college, two in high school, and one in junior high, I am fighting, hoping, and praying that the affordable housing will remain throughout the city.”**

— DC RESIDENT AT  
COMPREHENSIVE PLAN  
PUBLIC WORKSHOP

**Figure 5.3:****Distribution of Housing by Number of Bedrooms in Washington, DC, 2000** <sup>505.3</sup>

Source: 2000 Census



apartments. More often, these pressures simply mean that families are having a harder time finding suitable housing in the city. The vacancy rate provides a good barometer of this dilemma. In 2004, the vacancy rate was 8.8 percent for studios and one bedroom units, but it was just 4.4 percent for units that were two bedrooms or larger. <sup>505.5</sup>

***Policy H-1.3.1: Housing for Families***

Provide a larger number of housing units for families with children by encouraging new and retaining existing single family homes, duplexes, row houses, and three- and four-bedroom apartments. <sup>505.6</sup>

***Policy H-1.3.2: Tenure Diversity***

Encourage the production of both renter-occupied and owner-occupied housing. <sup>505.7</sup>

***Policy H-1.3.3: Assisted Living and Skilled Nursing***

Promote the development of assisted living and skilled nursing facilities. Zoning and health regulations should be designed to promote an increase in supply, security, and affordability of housing for the elderly. <sup>505.8</sup>

***Policy H-1.3.4: Co-operatives and Co-housing***

Encourage cooperatives, shared housing, and co-housing (housing with private bedrooms, but shared kitchens and common areas) as a more affordable alternative to condominiums. Ensure that such housing is appropriately regulated to avoid adverse effects on surrounding residences and neighborhoods. <sup>505.9</sup>

***Policy H-1.3.5: Student Housing***

Require colleges and universities to address the housing needs of their students, and promote the use of such housing by their students. <sup>505.10</sup>

***Policy H-1.3.6: Single Room Occupancy Units***

Allow the development of single room occupancy (SRO) housing in appropriate zone districts. <sup>505.11</sup>

*Please consult Land Use Element Policy LU-2.1.7 for policies on row house conversions to multi-family units*

***Action H-1.3.A: Review Residential Zoning Regulations***

During the revision of the city's zoning regulations, review the residential zoning regulations, particularly the R-4 (row house) zone. Make necessary changes to preserve row houses as single-family units to conserve the city's inventory of housing for larger households. As noted in the Land Use Element, this should include creating an R-4-A zone for one- and two-family row houses, and another zone for multi-family row house flats. <sup>505.12</sup>

## H-1.4 Housing and Neighborhood Revitalization <sup>506</sup>

Housing programs alone cannot create a livable, inclusive city. Part of attracting and retaining residents requires linking housing programs to efforts to deconcentrate poverty, improve schools, provide quality retail, and upgrade services such as child care and job training. <sup>506.1</sup>

Since 2000, the District has targeted capital investments to several formerly distressed areas that showed promise for economic and social recovery. In 2002, twelve areas were designated as “Strategic Neighborhood Improvement Program” (SNIP) areas, with accompanying investments in housing, schools, streetscape, parks, and other public facilities. One of the shared characteristics of these areas was the opportunity for infill development on scattered vacant and abandoned sites. Several of the SNIP areas such as Columbia Heights have already transitioned into thriving mixed income neighborhoods, while others like Ivy City are just beginning to emerge. <sup>506.2</sup>

Similar efforts have been made through the city’s Home Again program. Home Again acquires and disposes of vacant properties to private and non-profit developers through a land subsidy. The program requires that 30 percent of the new units created in each bundle of properties are sold to households at or below 60 percent of the Area Median Income (see text box). <sup>506.3</sup>

On a much larger scale, the DC Housing Authority has rebuilt entire communities through the federal HOPE VI program, replacing deteriorating public housing projects like the Frederick Douglass and Stanton Dwellings with new mixed income neighborhoods like Henson Ridge. Similar efforts have been proposed through the city’s New Communities Initiative. (see text box). <sup>506.6</sup>

### ***Policy H-1.4.1: Restoration of Vacant Housing***

Make the restoration of vacant housing units a major government priority. Where restoration receives public funding, ensure that a substantial share of the renovated units is made available to persons of low and moderate income.

<sup>506.7</sup>

### ***Policy H-1.4.2: Opportunities for Upward Mobility***

Provide opportunities for residents of District-owned and District-assisted housing to achieve self-sufficiency and upward mobility. Specifically explore mechanisms for residents of

## Home Again <sup>506.4</sup>



The Home Again Initiative was launched in January 2002 with the goal of creating home ownership opportunities for persons of all incomes by restoring vacant and abandoned properties. The Initiative’s efforts have focused on nine neighborhoods with high concentrations of such properties: Columbia Heights, Ivy City/Trinidad, Near Northeast, Shaw/LeDroit Park, Rosedale, Deanwood, Marshall Heights, Anacostia, and Bellevue.

As of Summer 2006, the program had facilitated:

- Rehabilitation and sale of over 400 vacant properties and lots for owner occupancy;
- Creation of 250 new residential units through its property awards, including 110 new affordable units; and
- A new redevelopment effort in Ivy City that will produce 62 new (former vacant) housing units, 60 percent of which will be affordable to persons at 60% AMI or below.

## The New Communities Initiative <sup>506.5</sup>

New Communities is a promising example of a city-led initiative that has the potential to reduce crime, improve neighborhood schools and health services, and create economic opportunities for public and assisted housing residents. The initiative is a partnership between DC government and the private and non-profit sectors to produce new housing, reduce violent crime, and create a healthy environment for families in some of the city's most distressed neighborhoods.

The initiative is using tax exempt bonds, low income housing tax credits, federal funds, and private investment to create mixed income housing opportunities in these areas. One-for-one replacement of older publicly assisted housing units with new publicly-assisted units is required to avoid displacement and the net loss of affordable units. Market rate and workforce housing units are included in each project to cross-subsidize the affordable units and create a mix of incomes and unit types in each project.

The New Communities program seeks to advance many of the city's community development and housing goals such as eliminating concentrations of low income and substandard housing and providing public housing residents with affordable replacement housing in the new community as it is redeveloped.

Planning for the first new community (Sursum Corda) was initiated in 2004. Over the next five years, more than 500 units of subsidized housing in this troubled complex will be replaced by 1,500 units of mixed income housing.

District-owned and District-assisted housing to purchase their residences. At the same time, work to replace units purchased with new District-owned and District-assisted housing stock. <sup>506.8</sup>

### ***Policy H-1.4.3: Focusing Housing Investments***

Direct housing improvement funds to neighborhoods with the greatest potential for sustained improvement, based on demographics, market forces, the presence of neighborhood partners and anchor institutions, and similar factors. <sup>506.9</sup>

### ***Policy H-1.4.4: Public Housing Renovation***

Continue efforts to transform distressed public and assisted housing projects into viable mixed-income neighborhoods, providing one-for-one replacement within the District of Columbia of any public housing units that are removed. Target such efforts to locations where private sector development interest can be leveraged to assist in revitalization. <sup>506.10</sup>

### ***Policy H-1.4.5: Scattered Site Acquisition***

Encourage the acquisition of individual properties on scattered sites for use as affordable housing in order to de-concentrate poverty and promote the integration of low income households into the community at large. <sup>506.11</sup>

### ***Policy H-1.4.6: Whole Neighborhood Approach***

Ensure that the construction of housing is accompanied by concurrent programs to improve neighborhood services, schools, job training, child care, parks, health care facilities, police and fire facilities, transportation, and emergency response capacity. <sup>506.12</sup>

### ***Action H-1.4.A: Renovation and Rehabilitation of Public Housing***

Continue federal and local programs to rehabilitate and rebuild the District's public housing units, including but not limited to the HOPE VI program, capital and modernization programs, the Community Development Block Grant program, and the District-sponsored New Communities program. <sup>506.13</sup>

### ***Action H-1.4.B: Home Again Initiative***

Continue support for the Home Again Initiative as a strategy for reducing neighborhood blight, restoring an important



part of the city's historic fabric, and providing mixed income housing in neighborhoods with relatively high concentrations of vacant or abandoned residential properties. <sup>506.14</sup>

*Action H-1.4.C: DCHA Improvements*

Continue the positive momentum toward improving the District's public housing programs, including the effective training of public housing residents in home maintenance skills. In addition, residents should be involved in management and maintenance and the effective renovation, inspection, and re-occupancy of vacant units. <sup>506.15</sup>

*Action H-1.4.D: Tax Abatement*

Consider geographically targeted tax abatements to encourage affordable housing development in areas where housing must compete with office space for land, similar to the Downtown Tax Abatement Program. The potential costs and benefits of tax abatements must be thoroughly analyzed as such programs are considered. <sup>506.16</sup>

*Action H-1.4.E: Additional Public Housing*

Support efforts by the DC Housing Authority to use its authority to create 1,000 additional units of public housing, subsidized by funding from the US Department of Housing and Urban Development under the public housing Annual Contributions Contract (ACC). This action is contingent on the availability of funds for a local rent subsidy to cover the annual operating costs for the new units. <sup>506.17</sup>

## **H-1.5 Reducing Barriers to Production** <sup>507</sup>

The development of housing may be hampered by both governmental and non-governmental constraints. Governmental constraints include lengthy delays in permit processing and plan approval, insufficient coordination among agencies and utilities, zoning regulations which may not reflect contemporary housing trends, and even prohibitions on certain types of housing. Non-governmental constraints include the high cost of land and rising interest rates. Although much progress has been made in the last five years, serious barriers still exist. Fear of these barriers keeps some developers from undertaking projects in the city at all. <sup>507.1</sup>



**“Take the risk of giving home ownership loans to low income renters to encourage as many renters to become owners as possible.”**

— PARTICIPANT AT A  
COMPREHENSIVE PLAN  
WORKSHOP.

### ***Policy H-1.5.1: Land and Building Regulations***

Ensure that the District’s land regulations, including its housing and building codes, its zoning regulations, its construction standards, and its permitting fees, enable the production of housing for all income groups. Avoid regulations which make it prohibitively expensive or difficult to construct housing. <sup>507.2</sup>

### ***Policy H-1.5.2: Permitting Procedures***

Minimize the cost and time associated with development processing, while still addressing community and environmental concerns. Explore measures to improve the permitting process, provided that such measures are consistent with other provisions of the Comprehensive Plan. <sup>507.3</sup>

### ***Policy H-1.5.3: Modular Construction***

Ensure that the District’s building and housing codes permit the appropriate use of modular and manufactured construction techniques, and other construction methods which may reduce housing costs without compromising design quality. <sup>507.4</sup>

### ***Policy H-1.5.4: Financial Incentives***

Consider tax incentives, reduced permitting and infrastructure fees, underwriting land costs, and other financial measures to reduce the cost of affordable housing construction. <sup>507.5</sup>

### ***Action H-1.5.A: Administrative Improvements***

Undertake the administrative changes outlined by the 2006 Comprehensive Housing Strategy to streamline the production and preservation of assisted and mixed income housing. These changes include the designation of a “chief of housing” to coordinate, facilitate, enable and implement city housing policy, including the policies of independent city housing and public development agencies. <sup>507.6</sup>

### ***Action H-1.5.B: Changes to the Zoning Regulations***

Explore changes which would facilitate development of accessory apartments (also called “granny flats” or in-law units), English basements, and single room occupancy housing units. Any changes to existing regulations should be structured to ensure minimal impacts on surrounding uses and neighborhoods. <sup>507.7</sup>

### ***Action H-1.5.C: Smart Housing Codes***

Update and modernize the DC Housing Code to reflect the current trend toward “smart” housing codes, which are structured to encourage building

rehabilitation and reuse of housing units built before modern building codes were enacted. <sup>507.8</sup>

#### *Action H-1.5.D: Data Management*

Maintain electronic inventories on existing housing and potential development sites for the benefit of residents, developers, and policy makers. This information should be used to track housing development and should be used to promote better-informed choices regarding public investment and affordable housing development. <sup>507.9</sup>

## H-2 Housing Conservation: Retaining Our Housing Stock <sup>508</sup>

Preservation of housing in the District—especially affordable housing—is perhaps an even higher priority than increasing housing supply. This section focuses on two aspects of housing conservation: (1) retaining affordable housing units specifically and (2) retaining existing housing stock generally. <sup>508.1</sup>

The District has been losing affordable housing rapidly over the past five years, both through the expiration of federal subsidies and through rising market rents and sales prices. In 2005, the DC Fiscal Policy Institute indicated that rising rents alone caused a loss of 7,500 units with rent levels under \$500 a month between 2000 and 2004. Over the same period, the number of homes valued at or below \$150,000 decreased by 9,400. Between 2000 and 2005, the area’s annual median income rose by an average compounded rate of 1.25 percent a year, while housing prices rose at an average compounded rate of 14.4 percent a year. These changes have been especially hard on the District’s poorest residents, particularly elderly renters and those on fixed incomes. <sup>508.2</sup>

An important part of housing preservation is the maintenance and upkeep of the existing housing stock. More than half of the housing units in the city are over 55 years old, and many are over 100 years old. The rise in home prices has been accompanied by a rise in building material and labor costs, making it expensive for many owners to care for their properties. In some parts of the city, lack of maintenance by absentee landlords may threaten the longevity of the housing stock and negatively affect neighborhood character. This will continue to be an issue in the future as the existing housing stock grows older and construction costs grow higher. <sup>508.3</sup>

### The DC Fiscal Policy

**Institute estimated that rising rents alone caused a loss of 7,500 units with rent levels under \$500 a month between 2000 and 2004. Over the same period, the number of homes valued at or below \$150,000 decreased by 9,400.**



**Rental housing comprises almost 60 percent of the housing stock and is the main housing option for those just entering the workforce and those without the initial resources to purchase a home.**

## H-2.1 Preservation of Affordable Housing <sup>509</sup>

In 2006, the Comprehensive Housing Strategy Task Force concluded that there were roughly 30,000 affordable and inexpensive market rate housing units throughout the District of Columbia that were at risk of being lost. This is more than 10 percent of the city's housing stock, and it shelters many of the city's most vulnerable residents. To avoid displacement, the District will need to channel a greater share of the revenues being created by the strong housing market into new programs that preserve affordable units. This must be a priority in the city's most affluent areas as well as its poorest areas—indeed, preserving affordable units in affluent neighborhoods is especially important given the high cost of producing new units. <sup>509.1</sup>

Many of the units that are at risk currently receive their funding through the federal Section 8 program. The program was initiated in 1974 and placed 20- to 40-year affordability contracts on apartment buildings. Thousands of these contracts are now expiring, with many of the units being converted to market rate rentals. In fact, half of the current project-based Section 8 dwellings are due to expire between 2005 and 2009. Many are located in gentrifying neighborhoods, and there are few incentives to building owners to keep them affordable. <sup>509.2</sup>

Coupled with the loss of Section 8 units has been the demolition of 3,000 public housing units to make way for mixed income projects at East Capitol Gateway, Ellen Wilson, Henson Ridge, Wheeler Creek, and Arthur Capper Carrollsburg. Among these, only Ellen Wilson and Capper Carrollsburg include “one for one” replacement units for each subsidized unit removed. <sup>509.3</sup>

Looking to the future, the city will need new programs to preserve its affordable stock, particularly its subsidized rental units. Rental housing comprises almost 60 percent of the housing stock and is the main housing option for those just entering the workforce and those without the initial resources to purchase a home. Low income renters are already more likely to pay more than half of their incomes on housing than any other group. A proposal for a District-sponsored rent subsidy program (similar to Section 8) has been included in the city's Comprehensive Housing Strategy to offset the expiring federal subsidies and help other households who are cost-burdened. The proposal calls for direct rental assistance to 14,600 extremely low income renters. <sup>509.4</sup>

### ***Policy H-2.1.1: Protecting Affordable Rental Housing***

Recognize the importance of preserving rental housing affordability to the well-being of the District of Columbia and the diversity of its neighborhoods. Undertake programs to protect the supply of subsidized rental units and low-cost market rate units. <sup>509.5</sup>



***Policy H-2.1.2: Expiring Federal Subsidies***

Preserve expiring subsidies for affordable housing units, particularly those in Section 8-based projects, and projects funded with Low Income Housing Tax Credits and Tax Exempt Bonds, wherever possible. <sup>509.6</sup>

***Policy H-2.1.3: Avoiding Displacement***

Maintain programs to minimize displacement resulting from the conversion or renovation of affordable rental housing to more costly forms of housing. These programs should include financial, technical, and counseling assistance to lower income households and the strengthening of the rights of existing tenants to purchase rental units if they are being converted to ownership units. <sup>509.7</sup>

***Policy H-2.1.4: Conversion of At-Risk Rentals to Affordable Units***

Support efforts to purchase affordable rental buildings that are at risk of being sold and converted to luxury apartments or condominiums, in order to retain the units as affordable. Consider a variety of programs to manage these units, such as land banks and sale to non-profit housing organizations. <sup>509.8</sup>

***Policy H-2.1.5: Long-Term Affordability Restrictions***

Ensure that affordable housing units that are created or preserved with public financing are protected by long-term affordability restrictions and are monitored to prevent their transfer to non-qualifying households. Except where precluded by federal programs, affordable units should remain affordable for the life of the building, with equity and asset build up opportunities provided for ownership units. <sup>509.9</sup>

***Policy H-2.1.6: Rent Control***

Maintain rent control as a tool for moderating the affordability of older rental properties and protecting long-term residents, especially the elderly. In considering future refinements to the rent control program, the District should be careful to determine whether the proposed changes improve effectiveness, fairness and affordability without discouraging maintenance and preservation of rental housing units. <sup>509.10</sup>

***Policy H-2.1.7: Direct Rental Assistance***

Develop and fund programs that provide direct rental subsidies for extremely low-income households (earning less than 30% of areawide median income), including homeless individuals and families in need of permanent shelter. Continue support for federally funded rental assistance programs, including public housing, project-based Section 8, and the Housing Choice Voucher Program. <sup>509.11</sup>

*Action H-2.1.A: Rehabilitation Grants*

Develop a rehabilitation grant program for owners of small apartment buildings, linking the grants to income limits for future tenants. Such programs have been successful in preserving housing affordability in Montgomery County and in many other jurisdictions around the country. <sup>509.12</sup>

*Action H-2.1.B: Local Rent Subsidy*

Implement a local rent subsidy program targeted toward newly created public housing units, newly created extremely low income housing units, and newly created units of housing for formerly homeless individuals and families. <sup>509.13</sup>

*Action H-2.1.C: Purchase of Expiring Section 8 Projects*

Consider legislation that would give the District the right to purchase assisted, multi-family properties (and to maintain operating subsidies) where contracts are being terminated by HUD or where owners are choosing to opt out of contracts. <sup>509.14</sup>

*Action H-2.1.D: Tax Abatement for Project-Based Section 8 Units*

Implement the program enacted in 2002 that abates the increment in real property taxes for project-based Section 8 facilities. Consider extending the abatement to provide full property tax relief as an incentive to preserve these units as affordable. <sup>509.15</sup>

*Action H-2.1.E: Affordable Set-Asides in Condo Conversions*

Implement a requirement that 20 percent of the units in all condo conversions be earmarked for qualifying low and moderate income households. The requirement should ensure that at least some affordability is retained when rental units are converted to condominiums. In addition, require condominium maintenance fees to be set proportionally to the unit price so as not to make otherwise affordable units out-of-reach due to high fees. <sup>509.16</sup>

*Action H-2.1.F: Housing Registry*

Develop a registry of affordable housing units in the District and a program to match these units with qualifying low income households. <sup>509.17</sup>

**H-2.2 Housing Conservation and Maintenance** <sup>510</sup>

Despite the advancing age of the District's building stock, most of the city's housing is in good condition. The number of vacant and abandoned units has declined sharply in the past five years, and there has been reinvestment in the housing stock in all parts of the city. There are still threats, however. "Demolition by neglect" remains an issue in some neighborhoods, while other neighborhoods face the risk of housing being converted to non-residential uses such as medical offices and non-profits. The long-term conservation of housing requires policies and actions that promote

housing rehabilitation, upkeep, and modernization—while discouraging conversion to non-residential uses. <sup>510.1</sup>

As noted above, housing conservation programs are particularly important for the District’s seniors (residents 65 years old and above), many of whom are on fixed incomes. Seniors make up 12 percent of the city’s population, but they represent nearly 30 percent of its homeowners. This suggests a need for low interest loans, grants, tax credits, and other programs that reduce the financial burden of home ownership on low income, elderly District residents. <sup>510.2</sup>

#### ***Policy H-2.2.1: Housing Conversion***

Discourage the conversion of viable, quality housing units to non-residential uses such as offices and hotels. Ensure that zoning regulations provide sufficient protection to avoid the loss of housing in this manner. <sup>510.3</sup>

#### ***Policy H-2.2.2: Housing Maintenance***

Support voluntary, philanthropic, non-profit, private, and City-sponsored programs that assist District residents in the upkeep of their homes and properties, particularly programs that provide low interest loans and grants for low income residents and elderly homeowners. <sup>510.4</sup>

#### ***Policy H-2.2.3: Tax Relief***

Maintain tax relief measures for low income homeowners and low income senior homeowners faced with rising assessments and property taxes. These measures should reduce the pressure on low income owners to sell their homes and move out of the District. <sup>510.5</sup>

#### ***Policy H-2.2.4: Energy Retrofits***

Encourage energy efficiency retrofits that reduce water use, and home heating and cooling costs, thereby reducing monthly housing expenditures. <sup>510.6</sup>

#### ***Action H-2.2.A: Housing Code Enforcement***

Improve the enforcement of housing codes to prevent deteriorated, unsafe, and unhealthy housing conditions, especially in areas of the city with persistent code enforcement problems. Ensure that information on tenant rights, such as how to obtain inspections, contest petitions for substantial rehabilitation, purchase multi-family buildings, and vote in conversion elections, is provided to tenants. <sup>510.7</sup>

**The long-term conservation of housing requires policies and actions that promote housing rehabilitation, upkeep, and modernization—while discouraging conversion to non-residential uses.**

*Action H-2.2.B: Sale of Persistent Problem Properties*

Address persistent housing code violations through negotiated sales of problem properties by putting properties in receivership, and through tenants' rights education. Wherever possible, identify alternative housing resources for persons who are displaced by major code enforcement activities. <sup>510.8</sup>

*Action H-2.2.C: Low Income Homeowner Tax Credit*

Implement the ordinance passed by the District in 2002 to provide tax credits for long-term, low-income homeowners. <sup>510.9</sup>

*See the Historic Preservation Element for additional policies on homeowner tax credits*

*Action H-2.2.D: Tax Relief*

Review existing tax relief programs for District homeowners and consider changes to help low- and moderate-income households address rising property assessments. <sup>510.10</sup>

*Action H-2.2.E: Program Assistance for Low and Moderate Income Owners*

Continue to offer comprehensive home maintenance and repair programs for low and moderate income owners and renters of single family homes. These programs should include counseling and technical assistance, as well as zero interest and deferred interest loans and direct financial assistance. <sup>510.11</sup>

## H-3 Home Ownership and Access <sup>511</sup>

Home ownership gives individuals a stake in the community and a chance to share in its growing prosperity. It can help foster civic pride and engagement, improve family stability, and enhance support for local schools and services. Importantly, home ownership provides a long term asset to build long-term personal wealth. For these reasons, the District has had a long standing policy of helping its residents become homeowners, and promoting the construction of new owner-occupied housing in the city. <sup>511.1</sup>

An important part of ownership is access to financing and real estate opportunity. In the past, the practice of “redlining” (e.g., withholding home loan funds in certain neighborhoods) by certain lenders made it more difficult to secure home loans in parts of the city. Enforcement of Fair Housing practices is important not only to stop unfair lending practices, but also to address discrimination against renters, single parents, persons with AIDS, and others with special needs. <sup>511.2</sup>



### H-3.1 Encouraging Home Ownership <sup>512</sup>

Nationwide, about two-thirds of all households are homeowners. In the District of Columbia, the 2000 census reported the home ownership rate was just 41 percent. This is one of the lowest rates in the country, well below Philadelphia (59 percent), Baltimore (50 percent), and Chicago (44 percent)—though higher than the 30 percent rate in New York and the 32 percent rate in Boston. The ownership rate in the District has increased 6 percentage points since 1980, when 35 percent of the city’s households were homeowners. <sup>512.1</sup>

The District’s Department of Housing and Community Development administers a number of programs to help residents purchase homes. These include the Homestead Housing Preservation Program, which enables first-time buyers to purchase tax delinquent properties for as little as \$250. It also includes the Home Purchase Assistance Program, which offers interest-free and low-interest loans to qualified residents for the purchase of houses, condominiums, or cooperative apartments. The District also provides grants and deferred loans to government employees who are first time homebuyers. These programs are an important part of the city’s efforts to provide “workforce” housing for its residents (see text box). <sup>512.2</sup>

#### ***Policy H-3.1.1: Increasing Home Ownership***

Enhance community stability by promoting home ownership and creating opportunities for first-time home buyers in the District. Provide loans, grants, and other District programs in order to raise the District’s home ownership rate from its year 2000 figure of 41 percent to a year 2015 figure of 44 percent. Increased opportunities for home ownership should not be provided at the expense of the District’s rental housing programs, or through the displacement of low-income renters. <sup>512.4</sup>

### Meeting the Need for “Workforce Housing” <sup>512.3</sup>



As housing prices have outpaced income growth in many US cities, housing advocates and policy makers have called for initiatives to provide “workforce housing” for middle class residents. Workforce housing refers to housing designed for people in professions that are vital to our communities but that do not offer sufficient wages to afford market rate housing. These professions include administrative support, clerical occupations, and service jobs—and account for one-third of the jobs in the American workforce.

Even with two working parents in the service industries, a family would have a difficult time purchasing a home or renting a suitable apartment in the District of Columbia. Janitors, school teachers, licensed nurses, police officers, child care professionals, and others service workers have been priced out of the DC market, and many other markets across the country. New programs, such as employer-assisted housing and down payment assistance for public sector employees, are being pursued to provide more options and keep these essential workers in our community.

***Policy H-3.1.2: First-Time Buyer  
Income Targets***

Structure home ownership and down payment assistance programs to benefit working families with incomes between 50 percent and 120 percent of the areawide median income. <sup>512.5</sup>

*Action H-3.1.A: HPAP Program*

Maintain and expand the District's Home Purchase Assistance Program (HPAP) and Homestead Housing Preservation Program. <sup>512.6</sup>

*Action H-3.1.B: District Employer Assisted Housing (EAH) Program*

Strengthen the District government's existing Employer Assisted Housing (EAH) program by increasing the amount of EAH awards and removing limitations on applicants seeking to combine EAH assistance with Home Purchase Assistance Program funds. <sup>512.7</sup>

*Action H-3.1.C: New EAH Programs*

Encourage other major employers in the city to develop Employer Assisted Housing programs, including:

- Private sector employee benefit packages that include grants, forgivable loans, and onsite homeownership seminars for first-time buyers
- Federal programs which would assist income-eligible federal workers who currently rent in the city. <sup>512.8</sup>

*Action H-3.1.D: Individual Development Accounts*

Invest in programs that support Individual Development Accounts that assist low-income persons to save for first-time home purchases. <sup>512.9</sup>

*Action H-3.1.E: Neighborhood Housing Finance*

Expand housing finance and counseling services for very low-, low-, and moderate-income homeowners, and improve the oversight and management of these services. <sup>512.10</sup>

*Action H-3.1.F: First Time Homebuyer Tax Credit*

Examine the feasibility of matching the Federal first-time homebuyer tax credit with a District of Columbia tax credit for homebuyers in targeted neighborhoods. <sup>512.11</sup>

*Action H-3.1.G: Tenant Purchase Program*

Increase assistance to tenants seeking to purchase their units. Review the effectiveness of the city's existing Tenant Purchase program and enhance the ability of this program to provide technical, financial, legal, organizational, and language assistance to tenants in exercising their purchase rights. <sup>512.12</sup>

*Action H-3.1.H: Foreclosure Prevention*

Develop public-private partnerships to raise awareness of foreclosure prevention efforts, and to offer assistance to households facing foreclosure. <sup>512.13</sup>

**H-3.2 Housing Access** <sup>513</sup>

The District established its commitment to fair housing under the Human Rights Act of 1977 (DC Law 2-38, DC Code Sec 2-1401 (2001 ed)). This commitment is bolstered by federal regulations, including the Civil Rights Acts of 1964 and 1968, the Americans With Disabilities Act (ADA) of 1990, and the Age Discrimination Act of 1975. Together, these laws effectively prohibit housing discrimination on the basis of race, color, national origin, disability, sex, religion, sexual orientation, personal appearance, political affiliation, or family status. <sup>513.1</sup>

Despite discrimination laws, DC residents may still be unfairly denied housing on the basis of the factors listed above. Common forms of discrimination include refusal to rent, “steering” to particular neighborhoods by real estate agents, setting different terms for the sale or rental of housing (such as higher security deposits for certain groups), advertising to “preferred” groups, denial of loans or imposition of variable loan terms, and the use of threats and intimidation. The District will work to address these challenges in the future through full enforcement of its fair housing laws. <sup>513.2</sup>

***Policy H-3.2.1: Fair Housing Enforcement***

Strongly enforce fair housing laws to protect residents from housing discrimination. Provide education, outreach, and referral services for residents regarding their rights as tenants and buyers. Provide education and outreach to landlords, property managers, real estate agents, and others on their obligations when housing is made available. <sup>513.3</sup>



*Working together, the Human Rights Act of 1977, Civil Rights Acts of 1964 and 1968, the Americans with Disabilities Act (ADA) of 1990, and the Age Discrimination Act of 1975 effectively prohibit housing discrimination.*

***Policy H-3.2.2: Compliance by Recipients of District Funds***

Ensure that non-discrimination and full compliance with the District's fair housing laws is required for all housing developers and service providers receiving financial assistance from the District of Columbia. <sup>513.4</sup>

***Policy H-3.2.3: Prohibition on Redlining***

Ensure compliance with the federal Community Investment Act of 1977, which prohibits the practice of "redlining" local neighborhoods. <sup>513.5</sup>

***Action H-3.2.A: Cultural Sensitivity***

Require all District agencies that deal with housing and housing services to be culturally and linguistically competent. <sup>513.6</sup>

***Action H-3.2.B: Employee Education***

Undertake a Fair Housing Act education program for all relevant staff persons and public officials to ensure they are familiar with the Act and their responsibilities in its enforcement. <sup>513.7</sup>

***Action H-3.2.C: Lending Practices***

Review private sector lending practices for their impact on the stability of neighborhoods. <sup>513.8</sup>

**H-4 Housing Those with Special Needs** <sup>514</sup>

Among Washington's 575,000 residents are thousands of people with special needs who require targeted help finding, paying for, and maintaining affordable housing. These individuals and families include the homeless, seniors, people with physical disabilities, people living with HIV/AIDS, people with mental illness, adults reentering the city from correctional facilities, and youth being discharged from foster care and the juvenile justice system. Residents with special needs are particularly vulnerable to displacement and housing hardship. They often lack the income needed to afford safe, decent housing and the services that will help them lead normal lives in the community. <sup>514.1</sup>

**H-4.1 Integrating Special Needs Populations** <sup>515</sup>

One of the basic premises of the city's Vision is that special needs housing should be accommodated in all neighborhoods of the city and not concentrated in a handful of areas, as it is today. The current distribution is uneven. Some neighborhoods have as many as 11 Community Based Residential Facilities while others have none. While it would be unrealistic to propose that each neighborhood should have an identical number of such facilities, more can be done to avoid over-concentration. <sup>515.1</sup>

Steps can also be taken to reduce the stigma associated with special needs housing, and to improve its compatibility with the surrounding community. This will become even more important in the future, as displacement



pressures Downtown and elsewhere threaten some of the city's emergency shelters and special needs service providers. Given limited budgets, the rising cost of land tends to drive special needs housing to the most affordable areas of the city; the very places where these uses already are concentrated. <sup>515.2</sup>

***Policy H-4.1.1: Integration of Special Needs Housing***

Integrate special needs housing units throughout the city rather than segregating them into neighborhoods that already have high concentrations of such housing. <sup>515.3</sup>

***Policy H-4.1.2: Emphasis on Permanent Housing***

Emphasize permanent housing solutions for special-needs populations rather than building more temporary, short-term housing facilities. Permanent housing is generally more acceptable to communities than transient housing, and also is more conducive to the stability of its occupants. <sup>515.4</sup>

***Policy H-4.1.3: Coordination of Housing and Support Services***

Coordinate the siting of special needs housing with the location of the key services that support the population being housed. The availability of affordable public transportation to reach those services also should be considered. <sup>515.5</sup>

***Policy H-4.1.4: Protecting the Housing Rights of Persons with Special Needs***

Protect the housing rights of all residents with special needs through laws pertaining to property taxes, evictions, and affordable tenancy. <sup>515.6</sup>

*Please consult Land Use Element Section LU-3.4 for additional policies and actions on Group Homes and Community Housing.*

**H-4.2 Meeting the Needs of Specific Groups <sup>516</sup>**

The housing needs of the District's most vulnerable populations vary with each group. Some require housing with specific physical attributes, such as wheelchair ramps or bathrooms with grab bars. Some require housing with on-site support services, such as meal service or job counseling. Most simply need housing that is safe, secure, and affordable. Five specific groups are profiled below. <sup>516.1</sup>



***The number of housing units specifically designed for persons with disabilities, particularly units in facilities with services to help cope with these disabilities, is far short of the actual need.***

**Multi-family senior housing in neighborhoods where many seniors are living alone in single family homes will enable seniors to remain in their neighborhoods and reduce home maintenance costs and obligations.**

### ***Seniors***

In 2000, there were 70,000 District residents over 65, including 8,500 residents over 85. As the baby boom generation matures and as average lifespan increases, the population of seniors in the District is expected to increase dramatically. At the national level, the Census projects the number of senior citizens will increase by 104 percent between 2000 and 2030—almost four times the rate of the population at large. There will be a need for a broad range of senior living environments, serving residents across the income spectrum. This will be accompanied by a need for new programs, ranging from those that help seniors “age in place” through home retrofits to those that provide on-site nursing and health care in a congregate environment. As already noted, higher levels of assistance will be required to help senior homeowners on fixed incomes and to protect elderly renters from displacement. <sup>516.2</sup>

### ***Persons with Disabilities***

A disproportionately large share of the region’s disabled population resides in the District of Columbia. While the city is home to just 12 percent of the region’s total population, it is home to 34 percent of its low income disabled adults. In 2000, the District was home to 82,600 disabled adults—amounting to over 20 percent of its working age population. Many of these adults are unable to work due to mental or physical handicaps, and a quarter of them earned incomes below the poverty line. The number of housing units specifically designed for persons with disabilities, particularly units in facilities with services to help cope with these disabilities, is far short of the actual need. <sup>516.3</sup>

### ***The Homeless***

Homelessness in the District of Columbia is a significant problem and one that has become worse in the wake of the current housing boom. In January 2005, the Metropolitan Washington Council of Governments estimated that there were 11,419 homeless persons in the region, including 2,694 who were chronically homeless. More than half of the homeless population, and two-thirds of the chronically homeless population, lived in the District. Provisions to assist the homeless must include emergency shelter, transitional housing, and permanent housing, along with supportive services. On so many levels, the need for such facilities and services outpaces supply. The shortfall will get worse if nothing is done, with more District residents at risk of becoming homeless. <sup>516.4</sup>

***Ex-Offenders and Supervised Offenders***

Each year, the prison system in the District of Columbia releases 9,400 people. Between 2,000 and 2,500 of these ex-offenders return to the District, usually without the means to pay for market rate housing and in some cases without the skills or means to find a decent job. Many return to neighborhoods of high crime and poverty, remain chronically unemployed, and find shelter in group homes or shared housing.

Unstable housing and a lack of employment undermine an ex-offender's success and can perpetuate the cycle of poverty and violence in the District's poorest neighborhoods. <sup>516.5</sup>

***Persons with HIV/AIDS***

In 2002 the rate of reported AIDS cases in the District was 162.4 per 100,000 compared to 14.8 per 100,000 for the United States. In fact, the District has the highest incidence of AIDS in the United States, with a rate nearly double that of New York or San Francisco. In 2003, about 8,900 persons with AIDS resided in the District. Many persons with AIDS require special housing suitable for long-term care, yet a recent District survey found that the local need was double the number of units available. <sup>516.6</sup>

***Policy H-4.2.1: Short-Term and Emergency Housing Options***

Ensure that adequate short-term housing options, including emergency shelter and transitional housing, exists for persons with special needs, including people living with HIV/AIDS, harm-reduction units for substance abusers, detoxification beds and residential treatment facilities, halfway houses and group homes for returning offenders, and assisted-living and end-of-life care for seniors. <sup>516.7</sup>

***Policy H-4.2.2: Housing Choice for Seniors***

Provide a wide variety of affordable housing choices for the District's seniors, taking into account the income range and health-care needs of this population. Recognize the coming growth in the senior population so that the production and rehabilitation of publicly-assisted senior housing that meets universal design standards becomes a major governmental priority. Acknowledge and support the establishment of Senior Villages throughout the city that allow seniors to remain in their homes and age in-place. <sup>516.8</sup>

***Policy H-4.2.3: Neighborhood-Based Senior Housing***

Encourage the production of multi-family senior housing in those neighborhoods characterized by large numbers of seniors living alone in single family homes. This will enable senior residents to remain in their neighborhoods and reduce their home maintenance costs and obligations. <sup>516.9</sup>

***Policy H-4.2.4: Barrier-Free Housing for the Disabled***

Work toward a target of designing eight (8) percent of the new housing units added to the city's stock over the next 20 years specifically to meet the accessibility needs of persons with physical disabilities. These units should be spread evenly across affordability brackets. <sup>516.10</sup>

***Policy H-4.2.5: Ending Homelessness***

Reduce the incidence of homelessness in the city through homeless prevention efforts, development of subsidized housing for the homeless, and actively coordinating mainstream social services for persons who are homeless or at risk of becoming homeless. <sup>516.11</sup>

***Policy H-4.2.6: Housing for Ex-Offenders and Supervised Offenders***

Create adequate housing plans for people exiting jail or prison so that they do not become homeless, including the removal of barriers to re-entering offenders living in public housing. Ensure that ex-offenders are not concentrated into assisted housing projects but can find housing throughout the city. <sup>516.12</sup>

***Policy H-4.2.7: Persons with Mental Illness***

Support the production of housing for people with mental illness through capital and operating subsidies. Improve the availability and coordination of such housing with wrap-around mental health and other human services. Steps should be taken to prevent the eviction of mentally ill persons from publicly financed housing so long as they are following the rules of tenancy, and to ensure that each individual's housing is maintained if and when they need to be hospitalized. <sup>516.13</sup>

***Policy H-4.2.8: Neighborhood-Based Homeless Services***

Encourage the provision of homeless services through neighborhood-based supportive housing and single room occupancy (SRO) units, rather than through institution-like facilities and large-scale emergency shelters. The smaller service model can reduce the likelihood of adverse impacts to surrounding uses, improve community acceptance, and also support the reintegration of homeless individuals back into the community. <sup>516.14</sup>

***Action H-4.2.A: Incentives for Retrofits***

Create financial incentives for landlords to retrofit units to make them accessible to persons with disabilities, and to include units that are accessible in new housing construction. <sup>516.15</sup>



*Action H-4.2.B: Incentives for Senior Housing*

Explore incentives such as density bonuses, tax credits, and special financing to stimulate the development of assisted living and senior care facilities, particularly on sites well served by public transportation. <sup>516.16</sup>

*Action H-4.2.C: Homeless no More*

Implement the recommendations outlined in “Homeless No More: A Strategy for Ending Homelessness in Washington, DC by 2014.” Among the recommendations are the production of 2,000 permanent supportive housing units for the chronically homeless and 4,000 units of permanent housing for households who experience temporary homelessness or are at risk of becoming homeless. <sup>516.17</sup>

*Action H-4.2.D: Emergency Assistance*

Revive and strengthen the emergency assistance program for rent, mortgage, and/or utility expenses for very low-income families to prevent homelessness. <sup>516.18</sup>